

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

AGENDA ID #14564

RESOLUTION E-4757

January 28, 2016

R E S O L U T I O N

Resolution E-4757. San Diego Gas and Electric Company's (U 902-E) (SDG&E's) Request for Approval of a New Electric Sample Form for Street Lighting Pilot Program for Network Controlled Dimmable Streetlight Systems.

PROPOSED OUTCOME:

- This Resolution approves SDG&E's pilot program establishing rate adjustments for network controlled dimmable streetlight systems.

SAFETY CONSIDERATIONS:

- This pilot program involves the dimming of street lights while maintaining a required area of light output, therefore, there are no safety considerations for this pilot.

ESTIMATED COST:

- This pilot program is intended to provide a testing period prior to a larger scale launch in SDG&E's service territory. The results of this pilot and any estimated cost would likely be addressed in the rate design proceeding for SDG&E's 2016 Phase 2 General Rate Case.

By SDG&E Advice Letter 2665-E Filed on November 10, 2014.

SUMMARY

This Resolution approves SDG&E's sample form 106-39140, as modified, to establish a pilot program that allows rate adjustments for network controlled dimmable streetlight systems. This is a deviation from the standard provision of

electric rate schedule LS-2 “Lighting: Street and Highway Customer Owned Installations.”

BACKGROUND

On November 10, 2014, San Diego Gas and Electric (SDG&E) filed AL 2665-E requesting approval of a new electric sample form 106-39140 Agreement for Street Lighting (Schedule LS-2) Pilot Program for Network Controlled Dimmable Streetlight Systems. The California City-County Street Light Association (CAL-SLA) filed a protest on November 26, 2014 and the City of San Diego filed a protest on December 1, 2014. On December 8, 2014, SDG&E filed its Reply to Protest of SDG&E AL 2665-E.

Commission Staff submitted the first suspension notice on December 10, 2014 and filed the second suspension notice April 6, 2015.

Customers who own their street lights are on the electric rate schedule LS-2 “Lighting: Street and Highway Customer Owned Installations.” Current unmetered streetlight tariffs specify timed or photo-controlled operation at constant wattage level. Photo-controlled usage is based on the assumed average daily time below a certain natural light level at given latitude over a year. The programming for the current LS-2 rate schedule does not allow for direct billing of varying energy usage as would be needed for network controlled dimmable lights.

This pilot program would allow customers with network controlled streetlights to be billed at reduced commodity rates based on the estimated energy savings for the dimmed street lights.

The Commission approved a similar pilot in Pacific Gas & Electric’s (PG&E’s) territory in Resolution E-4421 on September 22, 2011.

NOTICE

Notice of AL 2665-E was made via electronic or mailed copies to utilities and interested parties in A.11-10-002. SDG&E states that a copy of the Advice Letter was mailed and distributed in accordance with Section 4 of General Order 96-B.

PROTESTS

Advice Letter AL 2665-E was timely protested by California City-County Street Light Association (CAL-SLA) and the City of San Diego.

SDG&E responded to the protests of CAL-SLA and the City of San Diego on December 8, 2014.

The following is a more detailed summary of the major issues raised in the protests:

California City-County Street Light Association

CAL-SLA raised three primary issues in their protest of AL 2665-E:

1. The AL should clarify if the term “customer” includes counties and special districts.
2. The AL is too restrictive and excludes smaller customers from participating by requiring the customer have at least 300 network controlled streetlights.
3. The AL requirement that customers develop a fixed dimming schedule that may only be adjusted once a year is not flexible enough and negates the benefits of a controlled street light.

City of San Diego

The City of San Diego raised six issues in their protest of AL 2665-E:

1. The AL unreasonably restricts eligible lights to a fixed dimming schedule that can only be changed one time per year.
2. The AL sets customers up for disqualification for using lights outside of the dusk to dawn period, thereby removing the incentive for customers to participate.
3. Section 8.a.iii implies that *all* customer accounts would be suspended if there is more than a 2% error in the data of any account. This should be account specific.
4. Section 5a is vague and implies that all lights will default to the maximum nameplate wattage if there is an error found in one account. This should be account specific.

5. Section 7 is vague and should clarify who is responsible for paying for the audit. Also, the advance notice for a site visit should be extended to 5 working days instead of 48 hours.
6. Section 8.b is overbroad and should be account specific.

DISCUSSION

Commission staff has reviewed the protests and SDG&E's responses.

Of the nine items raised by CAL-SLA and the City of San Diego, SDG&E's reply agrees with five of them. These items are discussed first, followed by the four remaining items.

The following table identifies these five protested issues and summarizes SDG&E's response and the corresponding changes to Form 106-39140:

Protest #	Protest	SDG&E Response	Changes to Form 106-39140
CAL-SLA 1	The AL should clarify if the term "customer" includes counties and special districts.	SDG&E agrees and will clarify that <i>any</i> customer is eligible to participate.	Update customer definition on page 1 of 7 at the first mention of "customer" and in Exhibit A, Section II "Audit Requirement" and Section III "Customer Eligibility Requirements for Pilot Program Participation."
CAL-SLA 2	The AL is too restrictive and excludes smaller customers from participating by requiring the customer have at least 300 network controlled streetlights.	SDG&E agrees and will set the system limit to 50 network controlled streetlights instead of 300, thereby allowing smaller customers to participate.	Exhibit A, Section III (A), "Customer Eligibility Requirements for Pilot Program Participation," should be updated to read, "Each customer must have installed at least 50 public streetlights with a working remote control/monitoring system."
City of SD 3	Section 8.a.ii implies that <i>all</i> customer accounts would be suspended if there is more than a 2% error in the data of any account. This should be account	SDG&E agrees with this recommendation and will revise the section to be account specific.	Page 4 of 7, Section 8.a.ii should be modified to read, "...the Company reserves the right in its sole

	specific.		discretion to suspend pilot participation for the specific account in question for the customer.”
City of SD 4	Section 5a is vague and implies that all lights will default to the maximum nameplate wattage if there is an error found in one account.	SDG&E agrees with this recommendation and will revise the section to be light specific.	Page 2 of 7, Section 5 a should be modified to read, “...the Company will default the specific light in question only to the maximum luminaire nameplate wattage.”
City of SD 5	Section 7 is vague and should clarify who is responsible for paying for the audit. Also, the advance notice for a site visit should be extended to 5 working days instead of 48 hours.	SDG&E clarifies that the customer will pay for the audit and agrees to provide 5 working days advanced notice before an audit.	Page 3 of 7, Section 7 should be modified to read, “...shall provide the Customer with no less than 5 working days advance notice of any intended site visit.”

SDG&E’s reply to protest does not agree with the following four of the nine protested items:

CAL-SLA item #3 and City of San Diego item #1 both protest the requirement to only allow the dimmable schedule to be changed once a year.

SDG&E cites the extensive costs associated with manually changing and calculating new consumption levels and the corresponding bill adjustments. SDG&E also notes that the scope of this advice letter filing is to set the stage for testing of these components for functionality before “opening the gate to real time dimming which is not currently supported by the existing LS-2 rate schedule.”

SDG&E states the pilot will test and collect data which could be used for proper rate design in a subsequent phase of the GRC Phase 2 proceeding. Commission staff also discussed this issue with the City of San Diego and they are in agreement with SDG&E’s response and are supportive of this advice letter moving forward.

The City of San Diego item #2 protests the requirement that customers will be disqualified for dimming lights outside of the dusk to dawn period. SDG&E clarifies that the dusk and dawn times are part of the currently existing LS-2 tariff and that this advice letter does not change that existing rule. The dimming

change is meant to be used when studies show that the light output could be maintained even while energy consumption decreases.

Commission Staff also discussed this issue with the City of San Diego and they are in agreement with SDG&E's response. Furthermore, the City of San Diego's study results have come in and they are able to show that that light output does not change when dimming 20-30%.

The City of San Diego item #6 protests that Section 8.b is overbroad and should be account specific. SDG&E states that this section allows SDG&E to react to audit results and either suspend, cancel or reinstate customers, regardless of which account they come from. SDGE clarified that other sections are account specific, but Section 8b allows SDG&E to take action, should there be some systemic issue. Commission staff also discussed this issue with the City of San Diego and they are in agreement with SDG&E's response and are supportive of this advice letter moving forward.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission. Section 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments, and will be placed on the Commission's agenda no earlier than 30 days from today.

FINDINGS

1. Current Schedule LS-2, Customer-Owned Street and Highway Lighting, is for unmetered constant consumption at a predetermined wattage for a predetermined number of hours.
2. Emerging dimmable street lighting technology provides operational, maintenance and energy saving advantages.

3. This program is a pilot program meant to test the billing systems and to collect data that could be used for a larger scale effort.
4. The pilot program should not preclude smaller customers from participating in the pilot; therefore, customers with 50 network controlled street lights should be able to participate.
5. The pilot programs should provide customers adequate advanced notice prior to a site audit; therefore, SDG&E will provide customers five days advanced notice prior to a site audit.
6. SDG&E Form 106-39140 should be updated, as modified herein.
7. Pending the results of the pilot, a new dimmable streetlight rate schedule may be developed under Phase 2 of the 2016 GRC.
8. Pursuant to G.O. 96-B, Rules 5.1, and 8.2.3, a Tier 3 AL is the correct process to request the deviation from tariff and reduced charge for a governmental customer.

THEREFORE IT IS ORDERED THAT:

1. The request of SDG&E for Approval of Electric Sample Form for Street Lighting Pilot Program for Network Controlled Dimmable Streetlight Systems, as requested in Advice Letter AL 2665-E, is approved, as modified herein.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on January 28, 2016; the following Commissioners voting favorably thereon:

TIMOTHY J. SULLIVAN
Executive Director